

COLLECTION OF DUTIES IN THE SECEDING STATES, &c.

LETTER

FROM

THE SECRETARY OF THE TREASURY,

IN RESPONSE TO

A resolution of the House calling for information as to whether duties on imports continue to be collected in the ports of entry in certain southern States, &c.

FEBRUARY 21, 1861.—So much of the document as refers to the collection of the revenue referred to the Committee on Commerce, and the balance to the Committee of Ways and Means.

TREASURY DEPARTMENT, *February 21, 1861.*

SIR: On the 11th instant the following resolution was adopted by the House of Representatives:

Resolved, That the Secretary of the Treasury be requested to inform this House whether the duties on imports continue to be collected in the ports of entry established by law in the States of South Carolina, Georgia, Alabama, Louisiana, and Florida; and whether any hindrances exist to the law of entry and clearing of vessels therein. Also, the present condition of the light-houses, beacons, and buoys, in the said harbors and adjacent waters. Also, what measures, if any, have been taken to secure the revenue vessels in the service of the department from seizure, or to recover possession of such as have been seized. Also, what measures have been adopted for the security of the public moneys in the hands of depositaries in the aforesaid States, and whether they are available to the Treasury. Also, whether the use and control of any of the marine hospitals, permanent or temporary, have been interfered with, and what proceedings have been adopted with reference thereto.

In obedience to the foregoing resolution, I have the honor to submit the following report in relation to the matters of inquiry embraced therein:

I.—THE COLLECTION OF DUTIES ON IMPORTS.

It is believed that the duties on imports continue to be collected in the ports of entry established by law in the States of South Carolina,

Georgia, Alabama, Louisiana, and Florida, and that vessels are entered and cleared in the usual manner. But, so far as this department is advised, the collectors assume to perform their duties under the authority of the States in which they reside, and hold the moneys they receive subject to the same authority.

The collector at Savannah, Georgia.

On the 4th instant the following letter was received from John Boston, esq., collector of the customs for the port of Savannah, whose resignation, dated January 31, was subsequently tendered.

CUSTOM-HOUSE, COLLECTOR'S OFFICE,
Savannah, January 30, 1861.

SIR: I to-day received the following despatch from his excellency Joseph E. Brown, governor of Georgia.

"You will pay no more money from the custom-house to any government or person without my order."

Respectfully, your obedient servant,

JOHN BOSTON, *Collector.*

Hon. JOHN A. DIX,

Secretary of the Treasury, Washington.

The following answer was immediately despatched by mail:

TREASURY DEPARTMENT, *February 4, 1861.*

SIR: Your letter of the 30th ultimo, containing a copy of a despatch from the governor of Georgia, directing you to pay "no more money from the custom-house to any government or person, without his order," is received.

You will please to advise me, by return of mail, whether it is your purpose to obey his direction, or whether you will conform to the instructions of this department and perform your duty under the laws of the United States.

Very respectfully,

JOHN A. DIX,
Secretary of the Treasury.

JOHN BOSTON, Esq.,

Collector of the Customs, Savannah, Georgia.

On the 12th instant the following reply was received:

SAVANNAH, *February 8, 1861.*

SIR: Your letter, under date of the 4th instant, asking me whether it is my purpose to obey the direction of the governor of Georgia to pay no more money from the custom-house to any government or person, without his order, or whether I will conform to the instructions of this (your) department, and perform your (my) duty under the laws of the United States, is this moment received; and, in reply, I

beg to say, that I will, as a good and loyal citizen, as I hope I am, obey the authority of my State.

Very respectfully, your obedient servant,

JOHN BOSTON.

Hon. JOHN A. DIX,

Secretary of the Treasury, Washington.

This declaration was carried out at a later day by refusing to pay a draft for the compensation of a revenue officer in his own State.

Surveyor of the port of Augusta, Georgia.

Augusta is a port of delivery for goods entered at Savannah, and the surveyor, who is the chief officer of the revenue, performs the duties of collector.

On the 21st of January he tendered his resignation, expressing the desire that he might continue to perform his duties until the 4th of March.

It was naturally supposed that he would, while acting in his usual relations to the government, at his own request, consider himself bound by his official oath to discharge his duties faithfully; and, especially, to pay over to the United States all moneys received by him. But by the monthly statement for January, recently made, he credits his account with the sum of \$2,490 78, paid over by him to "the State of Georgia, to their credit, by order of Governor Joseph E. Brown, dated the 2d instant."

In rendering his account, as if conscious of the official dereliction it disclosed, he says: "I am well aware the account is not made out as required; still, you must consider me as an honest man, and if you do, pass it." The department did not pass it, but advised him that he would be held responsible under his bond for the payment of the amount to the United States.

About half of the officers of the customs in the States of South Carolina, Florida, Alabama, Georgia, and Louisiana, have resigned their commissions, while others appear to have entered on their duties to the governments of those States, without considering it necessary to perform this official ceremony. So greatly has the moral tone of some of these federal officers been impaired by the example of disloyalty to the Union presented to them by the States in which their duties were discharged, that a resignation seems to have been regarded by them as a mere formality, and not as indispensable to their release from high official obligations.

The custom-house and collector at New Orleans.

On the 2d instant it was publicly announced that the custom-house at New Orleans had been taken possession of by the State of Louisiana, and that the collector of the customs had taken the oath of allegiance.

On the receipt of this intelligence the following despatch was sent by telegraph:

TREASURY DEPARTMENT, *February 2, 1861.*

Have the authorities of the State of Louisiana taken possession of the custom-house?

Have you taken the oath of allegiance to that State?

JOHN A. DIX,

Secretary of the Treasury.

F. H. HATCH, *Collector of Customs, New Orleans.*

No answer was received until the 6th instant, when the following despatch came to hand:

NEW ORLEANS, *February 6, 1861.*

SIR: Your despatch of the 2d was received this day. The authorities of the State of Louisiana took possession of this custom-house on the 31st ultimo. I mailed my resignation on that day, and advised you of the same by letter of that date, to which please refer.

F. H. HATCH.

Hon. JOHN A. DIX,
Secretary of the Treasury.

It may be proper to state in this place that while despatches by telegraph from New Orleans to this department have come in their regular course, when sent by persons in the interest of the State authorities, those sent from the department have, since the first instant, been from four to five days on the way, indicating that they were intercepted and scrutinized at some intervening point, and perhaps forwarded thence, through a different channel, to the persons to whom they were addressed. Between this city and New Orleans despatches are rewritten at Augusta, Ga., and Montgomery and Mobile, Ala., affording the opportunity of enforcing, against the wishes of the telegraph company, at each of these places, a system of *espionage* known only to the despotic governments of the Old World.

On the 5th instant the following despatch was received by telegraph:

LOUISVILLE, *February 4, 1861.*

Collector at New Orleans declines to pass goods on bonds given here unless cancelling certificates are given in name of Louisiana or duties are paid there. What shall I do about the matter? Will parties having goods for which they have given bonds for payment of duties here be held released by government if, to get them without delay, they pay duties at New Orleans?

W. N. HALDEMAN,
Surveyor of Customs.

Hon. JOHN A. DIX.

The following was immediately transmitted:

TREASURY DEPARTMENT, *February 5, 1861.*

Telegraph despatches received; too indefinite; particulars in full by mail.

JOHN A. DIX,
Secretary of the Treasury.

W. N. HALDEMAN,
Surveyor, &c., Louisville, Ky.

On the ensuing day the following was transmitted:

TREASURY DEPARTMENT, *February 6, 1861.*

What evidence have you that the collector of customs at New Orleans has acted as you stated in your despatch of yesterday?

JOHN A. DIX,
Secretary of the Treasury.

WALTER N. HALDEMAN,
Surveyor, &c., Louisville, Ky.

The following reply was received on the same day:

LOUISVILLE, *February 6, 1861.*

Casseday & Sons, importers here, were so advised by Clarke, Mosby & Co., their agents at New Orleans. Wrote you fully yesterday.

W. N. HALDEMAN,
Surveyor of Customs.

Hon. JOHN A. DIX,
Secretary of the Treasury.

On the same day the mail brought the following letter, alluded to in the foregoing despatch:

UNITED STATES CUSTOM-HOUSE,
Louisville, February 4, 1861.

SIR: Messrs. S. Casseday & Sons, china merchants, of this city, received the following telegraphic despatch this morning, from their agents at New Orleans:

NEW ORLEANS, *February 1, 1861.*

Custom-house in possession of Louisiana. Kentucky bonds refused. Will your surveyor grant cancelling certificates for goods bonded in name of Louisiana? Otherwise, must pay duty.

CLARKE, MOSBY & CO.

Messrs. S. CASSEDAY & SON.

At the urgent request of the Messrs. Casseday, I at once telegraphed you for instructions. They are anxious to get their goods, without delay, from New Orleans, and had arranged to bond here and withdraw them as their sales required.

Having given bond, however, for the payment of duties here, the question has occurred to them if they are not still liable for the duties to the United States, even if they pay them now, at the custom-house at New Orleans?

Of course I declined to give a cancelling certificate, as requested; but, as other like cases will arise, and as nearly all the goods brought to this port are received *via* New Orleans, I respectfully request full instructions in the premises.

I am, very respectfully, your obedient servant,

W. N. HALDEMAN,
Surveyor of Customs.

Hon. JOHN A. DIX,
Secretary of U. S. Treasury, Washington, D. C.

On the 8th the following was received from the surveyor of the port of Cincinnati:

CUSTOM-HOUSE, *Cincinnati, February 8.*

The following despatch received here: New Orleans, February 6, 1861.—Hunneywell, Hill & Co., Cincinnati. Carlyle arrived; can't enter in bond; shall pay duties here. Remit six hundred and thirty-two dollars. Voorhees, Griggs & Co. Several cases here of same kind. Merchants wish advice and instructions.

T. JEFFERSON SHERLOCK,
Surveyor of Customs.

Hon. JOHN A. DIX,
Secretary of the Treasury, Washington.

On the same day the following was sent, by telegraph, in reply to the surveyors of the ports of Louisville and Cincinnati:

TREASURY DEPARTMENT, *February 8, 1861.*

Department cannot recognize the payment of duties to the State collector at New Orleans.

The goods will be liable to the United States for duties, notwithstanding such payments.

JOHN A. DIX,
Secretary of the Treasury.

On the 9th the following was received from the surveyor of the port of Cincinnati:

CUSTOM-HOUSE, *Cincinnati, February 9, 1861.*

The following despatch received here this morning: New Orleans, February 8, 1861.—Hunneywell, Hill & Co., Cincinnati. Convention decided goods can be transported in bond, as heretofore. Certificates only required. Publish telegraph. Voorhees, Griggs & Co.

Your despatch received.

T. JEFFERSON SHERLOCK.

Hon. JOHN A. DIX,
Secretary of the Treasury.

It will be seen hereafter that this despatch was founded on a misapprehension, or that the oppressive and illegal practice supposed to have been abandoned was speedily resumed.

From these communications by letter and by telegraph from mercantile houses, and from the chief revenue officers at the ports of Cincinnati and Louisville, it appears that the collector of the customs at New Orleans, after assuming to act under the authorities of the State of Louisiana, refused to pass goods entered at that port for transportation to, and delivery at, Louisville, Kentucky, and other ports of delivery, unless the surveyors of the latter ports, holding their commissions from the United States and performing their duties within a State loyal to the Union, would acknowledge the authority of the State of Louisiana by cancelling transportation bonds given in her name to secure the payment of duties on goods imported by sea. This they could not do without violating their oaths of office; and in default of such an act of official turpitude, in any case, the duties were to be exacted at New Orleans. No doubt this was the alternative designed to be secured. The declaration of an intention to execute a particular purpose, except on a condition impossible to be performed, can only be regarded as an absolute determination to carry out the purpose without condition.

Under existing laws the importer of goods by sea to be delivered at Louisville, a port of delivery, may make entry at New Orleans, and give a bond for their transportation to the former port, where the duties are paid.

On their arrival at Louisville the importer may place them in a warehouse, and pay the duties when he withdraws them for consumption. On payment of the duties the bond is cancelled. The interior ports of delivery above New Orleans are twenty in number, and among them are Nashville and Memphis, Tennessee; Louisville, Kentucky; Cincinnati, Ohio; Evansville, Indiana; St. Louis, Missouri; Wheeling, Virginia; Pittsburg, Pennsylvania; and Cairo and Alton, Illinois. The duties collected at these twenty ports of delivery have, during the last five years, averaged over \$500,000 per annum. For the year ending June 30, 1857, they exceeded \$700,000.

The refusal of the collector at New Orleans to pass goods in bond for transportation to the ports of delivery above, and the exaction of duties at the former port, (for such was the effect of his requirements during the first seven days of this month,) not only subjected importers to the onerous obligation of paying the impost before the goods were needed for consumption, and thus deprived them of a privilege secured by the revenue laws, but it forced them either to resort to other channels of communication or pay double duties; for the department cannot recognize the collector at New Orleans, who has resigned his commission and assumes to act under the authority of the State of Louisiana, and therefore the payment of duties to him does not exonerate them from the payment to the United States.

But there is a larger view of the subject, which is of far graver importance.

The revenue derived from merchandise imported for consumption, by way of New Orleans, into the great States bordering on the rivers

which have their outlet to the Gulf of Mexico through the territories of Louisiana, has been monopolized by her. In so doing she has struck a fatal blow at the free navigation of the Mississippi, by making the inward commerce of the west by sea subject to her authority and tributary to her treasury.

Whatever may be the practice in regard to goods received from our own cities by sea and destined to the upper ports, there can be no doubt that merchandise imported from foreign countries is required to be entered at New Orleans; and if the duties are not exacted they must be bonded in the name of the State of Louisiana for transportation; for, notwithstanding the assurance contained in the despatch of the surveyor of the port of Cincinnati of the 9th of February, communicating one from Voorhees, Griggs & Co., of the 8th, goods are not "transported in bond as heretofore." On the contrary, it appears that bonds executed at the twenty ports of delivery above New Orleans in the name of the United States, as they may be under existing laws, are not recognized by the collector of the latter port, but that he requires them to be executed at New Orleans, and in the name of the State of Louisiana.

On the 14th instant the following letter was received at the department:

CINCINNATI, *February 12, 1861.*

DEAR SIR: We notice to-day that the collector at New Orleans has decided that duties on all goods passing through New Orleans, destined for inland ports, must be paid at that port, on account of the treasury of Louisiana.

We have about 200 crates earthenware due at New Orleans in the ships "Wurtemberg" and "Oroöndates," and will thank you to inform us, *on receipt of this*, what course we shall pursue in regard to payment of duties.

Will the department protect us, or must we pay duties at New Orleans? The invoices are all sworn to here and sent forward for shipment to this port in bond.

Very respectfully,

BARE & WEST.

Hon. J. A. DIX,
Secretary of the Treasury.

Two days before the receipt of this letter a despatch had been transmitted to the surveyor of the port of Louisville to ascertain what rule was then enforced by the collector at New Orleans in regard to bonds for duties and transportation. On the 14th the following reply was received:

LOUISVILLE, KY., *February 14, 1861.*

Bonds for the goods were given here, not at New Orleans, and our importers inform me that the collector there still declines to recognize them. Have telegraphed him to know definitely, and will advise you immediately after his reply comes.

W. N. HALDEMAN, *Surveyor.*

Hon. JOHN A. DIX, *Secretary of the Treasury.*

At a later hour on the same day the following despatch was received:

LOUISVILLE, *February 14, 1861.*

Collector Hatch telegraphs me that transportations are continued au usual, but bonds must be to the State of Louisiana, and executed at New Orleans.

W. N. HALDEMAN, *Surveyor, &c.*

Hon. JOHN A. DIX, *Secretary of the Treasury.*

As this despatch was founded on one received on that day from the collector at New Orleans, it must be regarded not only as authentic but official; and it shows that no bonds are received unless executed at that port, and in the name of the State of Louisiana.

That the department has not misinterpreted the meaning of this despatch, or misapprehended the effect of the practice adopted in New Orleans in regard to the payment of duties and the nature of the bonds required of importers residing at the upper ports, is also manifest from the letters of complaint received almost every day, asking the protection of the government against these exactions. The following is one of these letters:

LOUISVILLE, *February 14, 1861.*

DEAR SIR: We are just in receipt of a letter from the custom-house at New Orleans, informing us that a lot of queensware for us had arrived, but that it would be impossible for us to get it unless it would be paid for (the customs.) We have given a bond for it here, and we would not like to pay for it twice. You would confer upon us a great favor by answering us immediately what to do.

Yours, truly,

GODSHAW & FLEXNER,
Per LYONS.

Hon. J. A. Dix.

It is not distinctly understood whether the duties are, by the condition of these bonds, to be paid at New Orleans, or whether the obligors may be discharged by payment at the port of delivery. In either case the authority of the federal government is overthrown, and the free navigation of the Mississippi abrogated. If Louisiana is, as she assumes to be, a foreign power in reference to the nine States above her, which have ports of delivery where duties on goods imported by way of New Orleans may be paid, the exercise of the right of requiring such goods to be entered and bonded for transportation to those ports is in violation of the principle, always asserted by the United States, in regard to the free commercial use of navigable streams by States bordering on them.

The question is not varied in principle if she has become, or shall hereafter become, a confederate of the five other States, which have assumed to throw off their allegiance to the Union. While this right was exercised by the United States, Louisiana and the States above in which there are ports of delivery, being subject to the same government, it was merely for the institution of revenue regulations common to all. But, if Louisiana has become a foreign power in reference to

them, it rises into an international question of the very highest delicacy and importance.

The United States have uniformly placed the free navigation of rivers on the ground of natural right. The Congress of Vienna, in 1815, recognized the same principle by declaring the navigation of the rivers separating or crossing the territories of the great powers to be entirely free. The vindication of this right, in regard to the Mississippi river, at various epochs in our correspondence with foreign powers when they were in possession of territories bordering on it, has produced some of the ablest State papers in the archives of the government.

One of the chief objects in view, in the purchase of the Territory of Louisiana, was to secure this right to the people of the United States. The possession of the country at and near the mouth of the Mississippi, by Spain and France, had given rise to embarrassments and contentions which threatened at different periods to involve us in hostilities with both those powers; and it was in order to put an end to these dissensions forever, and especially to protect the people of the States on the higher portions of the river in the free use of its waters for commercial purposes, that the Territory was purchased of France by Mr. Jefferson, after a protracted negotiation, and at a heavy expense to the national treasury; thus securing to the United States and their inhabitants, to use his own language, the "uncontrolled navigation of that river in its whole course." Louisiana was created a State out of a portion of the Territory thus acquired, on the express and fundamental condition "that the river Mississippi and the navigable rivers and waters leading into the same and into the Gulf of Mexico [should] be common highways, and forever free, as well to the inhabitants of the said State as to the inhabitants of other States and the Territories of the United States, without any tax, duty, impost, or toll therefor imposed by the said State."

In violation of this condition, and in open defiance of a great natural right, written, to use the language of our diplomacy, in deep characters on the heart of man, the State of Louisiana, after declaring herself separated from the other States of the Union, and in the exercise of a sovereignty wholly independent of them, assumes to arrest the free passage of goods from the ocean to the States above her, to estimate their value by her own officers, to assess imposts on them, and to exact from the importers, not her own citizens, bonds for the payment of the duties, and for their transportation to the places out of her own territory to which they are destined.

The control thus assumed over the commerce of the Mississippi goes far beyond the pretensions set up in the old world on the basis of ancient prescription—pretensions which have been, in times past, a fruitful source of dissension and bloodshed, but are now condemned by the general judgment of mankind.

In its bearing on the revenue system of the United States, this subject assumes an importance peculiar to itself. The usurpation in question practically abolishes the twenty ports of delivery above New Orleans, at any one of which, under existing laws, goods may be received by sea, and the duties on them paid. It diverts the customs

revenue, ordinarily collected on such goods at these ports, from the treasury of the United States into that of Louisiana. It abrogates the whole revenue system of the United States in the valley of the Mississippi, above New Orleans, so far as it is applicable to the importation of merchandise by sea.

This subversion of the authority of the United States is sustained and enforced through the military occupation by Louisiana of the fortresses erected at the mouth of the Mississippi, at the common expense of the States of the Union, for the protection of the vast commerce of that river and its tributaries. The vessels placed there by the federal government, to enforce the execution of the revenue laws, have fallen into her hands. It matters not whether the officers to whom they were confided were corrupted through the agency of others, or whether their treachery to the government to which they had sworn allegiance and fidelity was the fruit of a spontaneous dereliction of high moral and official obligations. The State, by receiving them and the vessels they commanded into her service, has given her countenance and sanction to the most odious of political offences. She has completed a series of unresisted usurpations without a parallel in our history, by seizing the public treasure in the branch mint at New Orleans, (placed there by a confiding government, with the assurance that under the ægis of her honor it would be secure from violation,) and appropriating it under circumstances showing either that there was a criminal complicity on the part of the officer to whom it was intrusted, or that he yielded to the coercive power of superior physical force. As aids to a forcible assumption of the revenue authority of the government, these successive acts have an importance too obvious to be overlooked. That this pretension will be speedily renounced can hardly be doubted. It concerns the interests of nine States, which are loyal to the Union, and which have an aggregate population of more than fourteen millions of souls. If persisted in, it must soon become a source of the most embittered strife. Its assertion, as an exponent of the independent attitude Louisiana has assumed, shows that the safety of the riparian States on the Mississippi and its tributaries must depend on the regulation of the revenue system on these waters by a common government, in the administration of which all have a voice, and that the possession of the fortresses which command the entrance into this great natural channel of internal communication, cannot for any length of time remain under a less restricted military control without danger of the most serious disturbances. And it behooves the whole country, especially that great portion of it which is penetrated by the currents of the Mississippi and its confluent, to consider where the commercial ascendancy thus assumed by the State of Louisiana will be likely to have its termination, if any just conception of its magnitude and arbitrary control may be inferred from these, its incipient developments.

Throughout this whole course of encroachment and aggression the federal government has borne itself with a spirit of paternal forbearance, of which there is no example in the history of political society; waiting in patient hope that the empire of reason would resume its

sway over those whom the excitement of passion had thus blinded, and trusting that the friends of good order, wearied with submission to proceedings which they disapproved, would at no distant day rally under the banner of the Union, and assert themselves with vigor and success against the prevailing recklessness and violence.

II.—LIGHT-HOUSES, BEACONS, AND BUOYS.

SOUTH CAROLINA.

On the 30th December last, Commander T. T. Hunter, United States light-house inspector at Charleston, reported to the Light-house Board that the governor of South Carolina had requested him to leave the State, authorizing him to take the light-house tender, but prohibiting him from removing any property belonging to the United States in the buoy shed. On the 1st January the governor forbade the removal of the vessels belonging to the light-house establishment from Charleston, but the inspector, Commander Hunter, was allowed to leave by land. On the 8th, the removal of the light-vessel at Rattlesnake Shoals, off the harbor of Charleston, was reported to the Light-House Board, and the board was informed that the three tenders in the harbor of Charleston had been seized by the authorities of South Carolina.

Official information having also been received of the removal of buoys, the extinction of lights, and the obstruction of the principal channel of the harbor of Charleston, the following notice was published.

NOTICE TO MARINERS.—No. 106.

TREASURY DEPARTMENT, OFFICE LIGHT-HOUSE BOARD,
Washington, D. C., January 26, 1861.

Information has been received at this office that the light-vessel at Rattlesnake Shoals has been withdrawn; that the lights on Morris island and at the entrance into the port of Charleston, South Carolina, have been discontinued; the buoys removed, and the main ship channel so obstructed as to be unsafe for navigation.

By order :

R. SEMMES, *Secretary.*

GEORGIA.

On the 6th of February the keeper of St. Simon's light, near Darien, reported that his light had been obscured by a party of persons claiming authority from the State, but the light was not extinguished.

On the 8th Captain W. H. C. Whiting, of the United States engineers, reported that possession had been taken of his office, furniture, &c., in Savannah, by the authorities of the State.

ALABAMA.

On the 20th of January Commander E. L. Handy, light-house inspector, reported that the tender "Alert," belonging to the light-

ouse establishment, was seized at Mobile by order of the commanding officer of the State troops at Fort Morgan. On the 21st T. Sanford, collector of the customs at Mobile, notified Commander Handy that he, "in the name of the sovereign State of Alabama, takes possession of the several light-houses within the State, and all appurtenances pertaining to the same." Mr. Sanford had resigned his commission as collector on the 12th of the same month.

On the 1st of February Commander Handy transmitted a copy of a letter addressed to R. T. Chapman, esq., late of the United States navy, by T. Sanford, collector, appointing him light-house inspector in place of Commander Handy, to whom the appointment was tendered by the authorities of Alabama, but who refused to accept it.

Commander Handy having no force at his disposal to resist these assumptions of authority, was, at his own request, relieved from the embarrassing position in which they had placed him.

LOUISIANA AND FLORIDA.

Several keepers of lights in these two States have tendered their resignations, alleging as a reason that their States had seceded from the Union. No successors have been appointed.

Florida reef.

A special agent has been despatched to provide for the safety of the lights on this reef by arming the keepers. They are at a distance from the main coast of Florida, and no apprehension is entertained that they will be interfered with by the State authorities. But it was thought not impossible, in the present disordered state of the country, and with the relaxation of moral and political ties involved in it, that they might be extinguished by evil-minded persons for the purpose of causing shipwrecks.

It is not known that any lights on the southern coast, except those in South Carolina, have been extinguished. The lights and all other aids to navigation on that coast were amply supplied with all necessities, and in good condition when they were seized.

III.—THE BRANCH MINT AT NEW ORLEANS.

The treasurer of the branch mint at New Orleans is *ex officio* assistant treasurer of the United States at that place.

On the 21st of January, six days after I took charge of the Treasury Department, I caused a draft on him, as treasurer of the branch mint, to be issued for \$350,000, payable to Adams's Express Company, for transfer to the mint at Philadelphia. At the time this draft was given there were in his hands the following sums:

As treasurer of the mint.....	\$389,267 46
As assistant treasurer, to the credit of the Treasurer of the United States.....	265,445 14
As assistant treasurer, to the credit of disbursing officers.....	225,374 80
	<hr/>
	880,087 40
	<hr/>

In view of the unscrupulousness with which the public property had been seized in other quarters, I did not think it right to leave so large an amount in a State which, from all indications, was about to pass an ordinance of secession. A draft was accordingly drawn for \$350,000, as above stated, with a view to transfer the coin and bullion to a safe place of deposit. The Treasurer of the United States was also instructed to draw rapidly for disbursement on the balance standing to his credit. As the deposit to the credit of disbursing officers was in a regular course of reduction by their payments, and as the re-transfer of these moneys to the treasury would have been attended with some embarrassment, they were not disturbed. In pursuance of my instructions to the Treasurer of the United States, the deposit to his credit was reduced by his drafts from \$265,445 14 to \$18,149 20. It has been ascertained that about \$70,000 were paid on these drafts before the 31st of January, when, as will be seen hereafter, the branch mint and its contents were seized by the authorities of the State of Louisiana. If all the drafts drawn by this department had been paid, the first two items in the above statement, amounting to \$654,712 60, would have been reduced to \$57,416 66.

By some irregularity of the mail, which cannot be accounted for, the draft for \$350,000 to the order of Adams's Express Company, though transmitted from this department on the 21st of January, was not received at Baltimore till the 24th, on which day a duplicate was issued, with a request that no time should be lost in presenting it. In answer to an inquiry made by the department on the 26th, the following telegraphic despatch was received:

BALTIMORE, *January 26, 1861.*

Your telegram received; instructions went forward two days since to execute your order.

S. M. SHOEMAKER,
Superintendent of Adams's Express Company.

Hon. JOHN A. DIX, *Secretary of the Treasury.*

On the 30th of January the following despatch came to hand:

OFFICE OF ADAMS'S EXPRESS COMPANY,
Baltimore, Md., January 30, 1861.

Our advices in cypher, by telegraph from New Orleans, are that the assistant treasurer has not sufficient funds in hand to pay your draft; that three or four days will elapse before the mint will turn over sufficient to meet this demand. The assistant treasurer declines paying until he is able to pay the whole. I deem it my duty to inform you of these facts. We have nothing which would indicate an intention on the part of the United States officers or others to throw any difficulties in the way of our receiving the bullion.

Respectfully and truly,

S. M. SHOEMAKER,
Superintendent Adams's Express Company.

Hon. JOHN A. DIX,
Secretary of the Treasury, Washington, D. C.

This department did not put on the conduct of the treasurer the charitable construction expressed in the last paragraph of the foregoing despatch. On the contrary, it was regarded as indicating a design to gain time, and a predetermination to place the government of Louisiana in possession of the branch mint and its treasure. There was no ground for the pretext assigned for not paying a portion of the draft. There were gold and silver coins amounting to over \$280,000, which might have been delivered on its presentation. A large part of the coin and bullion was in silver. It weighed several tons. It could not all have been taken for remittance by the express company on the same day. Nor was there any foundation for the excuse that there was not a sufficient amount on hand to pay the whole draft. This pretence had been anticipated. There was more than \$389,000, and the draft was purposely drawn for \$350,000 only, leaving a balance of nearly \$40,000. The despatch was received on the night of the 30th, and early the next day the following was sent by telegraph :

TREASURY DEPARTMENT,
January 31, 1861.

You are requested to pay as much as you can on the transfer draft in favor of Adams's Express Company at once.

JOHN A. DIX,
Secretary of the Treasury.

A. J. GUIROT, Esq.,
Treasurer of the Branch Mint, New Orleans.

No further advices were received until the 2d instant, when the following despatch came to hand :

BALTIMORE, *February 2, 1861.*

United States treasury notified on yesterday your transfer draft would not be paid, as the State convention had taken charge. I am unable to give you the precise language, but this is the purport of it. We await your instructions in the premises.

S. M. SHOEMAKER,
Superintendent Adams's Express.

Hon. JOHN A. DIX,
Secretary of Treasury.

On the same day the following despatch was sent :

TREASURY DEPARTMENT,
February 2, 1861.

Have the authorities of the State of Louisiana taken possession of the branch mint? Have you taken the oath of allegiance to that State? Have you paid over to Adams's Express Company any part of the coin or bullion in your custody on the draft of the United States Treasurer, and in obedience to my order?

JOHN A. DIX,
Secretary of the Treasury.

A. J. GUIROT,
Treasurer of the Branch Mint, New Orleans.

On the evening of the 6th instant the following was received :

NEW ORLEANS, *February 6, 1861.*

Your telegram of the second instant has been received to-day. The State of Louisiana took possession of the branch mint on the thirty-first ultimo, at half-past nine o'clock a. m. The agent of the Adams's Express came to the mint the same day, at two o'clock p. m., and asked me whether the report of the taking of the mint was correct? I answered in the affirmative. He then said, if so, there is no use to present the transfer draft of three hundred and fifty thousand dollars for payment. I told him to apply to the convention. Whether he did so or not, I cannot say. I transmitted the same day my resignation to the President, under your cover, and I have since taken the oath of allegiance to the State of Louisiana.

Respectfully,

A. J. GUIROT.

Hon. JOHN A. DIX,
Secretary of the Treasury.

In this despatch the treasurer of the branch mint wholly omits to acknowledge the first presentation of the draft or to refer to and explain the attending circumstances, which were regarded as the evidence of a pre-determination on his part to violate his duty to his government. The facility with which his official obligations were thrown off, as shown by his own statement, justifies the interpretation put on his conduct six days before. In his official oath, on file in this department, he solemnly swore that he would "faithfully and diligently perform the duties of his appointment" as treasurer of the branch mint and assistant treasurer of the United States at New Orleans "according to law." The law required that he should keep safely all public money in his possession and custody, and when orders for transfer or payment were made by the proper department or officer of the government and such orders for transfer or payment were received, "faithfully and promptly to make the same as directed." These duties were violated before he took the oath of allegiance to the State of Louisiana, for no officer can by a mere resignation, without a discharge by the government to which he is accountable, release himself from the engagements he has assumed. Even if the seizure of the mint by the authorities of Louisiana was an act of coercion which he could not resist, he might have protected himself from imputations derogatory to his official character by protesting against it instead of yielding to it the tacit consent which his communication to the department implies. The assistant treasurer at Charleston, Benjamin C. Presly, esq., in honorable contrast, has promptly paid all drafts on presentation to him, and has applied to this department to draw for the balance in his hands in order that he may be released from his official liabilities.

The precise amount of coin and bullion thus appropriated by the State of Louisiana in entering on her assumed career of independence cannot be ascertained until the drafts issued by the treasurer of the United States shall be returned for non-payment, or until she shall deem it due to herself to restore the treasure confided to one of her

own citizens with no other protection from public rapacity than the generous trust reposed in her. An opportunity will be speedily furnished by the presentation of other drafts for payments due her own citizens and the citizens of neighboring States.

By the enclosed copy of a letter, marked A, from the director of the mint at Philadelphia, it will be seen that the weekly returns required to be made by the treasurer of the branch mint at New Orleans have not been furnished since the 1st instant, and that if money is coined at the latter, the government has no means, under existing circumstances, of securing a conformity to the established standards of value.

DEPOSITARIES OF THE PUBLIC MONEY.

At an early day after taking charge of this department, I directed the Treasurer to issue his drafts for disbursement on the depositaries of the public moneys in all the States (including those specified by the resolution of the House of Representatives) in which there were any decided manifestations of an intention to follow the example of South Carolina in throwing off their allegiance to the Union. These drafts were, as a general rule, paid, and the balances in the hands of the depositaries referred to were reduced to very small sums.

IV.—THE MARINE HOSPITAL.

In the month of June, 1858, the marine hospital opposite New Orleans became seriously injured by the overflow of the waters of the Mississippi river. Its foundations were so disturbed by the flood that it was deemed unsafe for occupation. The barracks, two miles below the city, being untenanted, and not needed for troops, they were, with the consent of the War Department, appropriated to the use of the sick, who were removed to them, and have occupied them ever since.

On the 26th day of January, ultimo, I received the following letter from the collector of the customs at New Orleans:

CUSTOM-HOUSE, NEW ORLEANS,
Collector's Office, January 14, 1861.

SIR: I have the honor to inform you that the United States barracks below the city have been taken possession of in the name of the State of Louisiana, as will appear by the enclosed communication from "C. M. Bradford, captain Louisiana infantry." I shall take steps to remove these invalids, if necessary, at an early date, and with due regard to economy.

Very respectfully, your obedient servant,

F. H. HATCH, *Collector.*

Hon. P. F. THOMAS,
Secretary of the Treasury, Washington.

In this letter was enclosed one from Captain Bradford, to which it alluded, and which is as follows:

BARRACKS NEAR NEW ORLEANS,
January 13, (Sunday,) 1861.

SIR: On the 11th instant I took possession of these barracks in the name of the State of Louisiana, and they will hereafter be held by the same authority. I find herein some two hundred and sixteen invalids and convalescent patients, who were removed here some months ago, by your authority, from the marine hospital on the opposite bank of the river during the recent overflow.

As these quarters will all be required for the Louisiana troops now being enlisted, I have to request that you will immediately remove those patients who are convalescent, and, as soon as, in the opinion of the resident surgeon, it may be practicable and humane, those also who are now confined to their beds.

I beg leave further to add that the quarters now occupied by the surgeon and his assistants, nurses, stewards, &c., will remain at their use and disposal as long as may, in the surgeon's opinion, be necessary.

Very respectfully, your obedient servant,

C. M. BRADFORD,
Captain 1st Louisiana infantry.

F. H. HATCH, Esq.,
Collector U. S. Customs, New Orleans.

On the following day I sent to the collector the following despatch, by telegraph:

TREASURY DEPARTMENT, *January 27, 1861.*

Apply to the governor of Louisiana to revoke Captain Bradford's order. Remonstrate with the governor against the inhumanity of turning the sick out of the hospital. If he refuses to interfere, have them removed under the care of the resident surgeon, and do all in your power to provide for their comfort.

JOHN A. DIX,
Secretary of the Treasury.

F. H. HATCH,
Collector of the Customs, New Orleans.

On the 28th I addressed the following letter to the collector:

TREASURY DEPARTMENT, *January 28, 1861.*

SIR: I did not receive until the 26th instant yours of the 14th, informing me that the United States barracks below the city of New Orleans, which have for several months been occupied as a marine hospital, had "been taken possession of in the name of the State of Louisiana." I found enclosed a copy of the letter of Captain C. M. Bradford of the first Louisiana infantry, advising you that he had taken possession of the barracks, that they would "be required for the Louisiana troops now being enlisted," and requesting you to "immediately remove those patients who are convalescent, and, as soon as in the opinion of the resident surgeon it may be practicable

and humane, those also who are now confined to their beds." He also states that the barracks contained "two hundred and sixteen invalids and convalescent patients."

On this transaction, as an outrage to the public authority, I have no comment to make. But I cannot believe that a proceeding so discordant with the character of the people of the United States, and so revolting to the civilization of the age, has had the sanction of the governor of the State of Louisiana. I sent a telegraphic despatch to you yesterday, desiring you to remonstrate with him against the inhumanity of Captain Bradford's order, and ask him to revoke it. But if he should decline to interfere, I instructed you in regard to the removal and treatment of the sick; and in that event, I trust you will carry out my direction, not merely with "economy," but with a careful regard to their helpless condition.

The barracks, it seems, were taken possession of on the 11th inst. Captain Bradford's letter is dated the 13th, and yours the 14th, though I had no information on the subject until the 26th. I infer from the newspaper paragraph you enclosed, which telegraphic advices in regard to the subject-matter show to be of a later date than your letter, that the latter was not despatched until the 21st or 22d instant. I hope I am mistaken, and that the cause of the delay is to be found in some unexplained interruption of the mail. I should otherwise have great reason to be dissatisfied that the information was not more promptly communicated.

From the tone of the newspaper paragraph you enclosed, and from the seizure of the barracks, in violation of a usage of humanity, which in open war between contending nations, and even in the most revengeful civil conflicts between kindred races, has always held sacred from disturbance edifices dedicated to the care and comfort of the sick, I fear that no public property is likely to be respected. You will therefore have no more money expended on the revenue cutter *Washington*, now hauled up for repairs, until I can have the assurance that she will not be seized as soon as she is refitted, and taken into the service of those who are seeking to break up the Union and overthrow the authority of the federal government.

I am, respectfully, yours,

JOHN A. DIX,
Secretary of the Treasury.

F. H. HATCH, Esq.,
Collector of the Customs, New Orleans.

In order to understand the last paragraph it is proper to say that in the letter of the collector of the 14th January was enclosed a newspaper article correcting the statement that the revenue cutter *Washington* had been seized by irresponsible parties. It added, "we hope that no attempt will be made by illegal and unauthorized bodies to make any seizure or commit any violence against the federal or any other property. Whatever the defence or necessities of the State may require to be done in these matters should be done by the executive of the State alone." That the precaution of the department in ordering expenditures for repairs on the *Washington* to be discon-

tinued was not premature is apparent from the fact that she was seized by the State within three days afterwards, the public necessities alluded to having, it would seem, become so urgent in that brief period of time as to demand this exercise of sovereignty.

On the succeeding day the following letter from the collector was received:

CUSTOM-HOUSE, NEW ORLEANS,
Collector's Office, January 21, 1861.

SIR: Referring to my letter of the 14th instant, I have the honor to inform you that by proper representations and remonstrances I have been able to retain the United States barracks for the use of the United States marine hospital, and will probably continue to do so without further molestation.

Very respectfully, your obedient servant,

F. H. HATCH, *Collector.*

HON. PHILIP F. THOMAS,
Secretary of the Treasury, Washington.

To this letter the department deemed it due to the collector immediately to return the following reply:

TREASURY DEPARTMENT, *January 29, 1861.*

SIR: I have received your letter of the 21st instant, and cannot withhold the prompt expression of my acknowledgment of the service you have done to the cause of humanity by preventing, through your representations and remonstrances, all interference with the invalids at the barracks occupied as a marine hospital.

I cannot imagine why your letters are so long in reaching me. The delay of the last shows that the fault is with the mails, as I supposed.

I am, respectfully, yours,

JOHN A. DIX,
Secretary of the Treasury.

F. H. HATCH, Esq.,
Collector of the Customs, New Orleans, La.

On the evening of the 28th the department also received the following despatch by telegraph:

NEW ORLEANS, *January 28, 1861.*

Marine hospital affair satisfactorily arranged. Barracks retained. See my letter of 21st instant.

F. H. HATCH, *Collector.*

HON. JOHN A. DIX,
Secretary of the Treasury.

On the 19th instant the following letter was received from the late United States collector at New Orleans.

CUSTOM-HOUSE, NEW ORLEANS,
Collector's Office, February 9, 1861.

SIR: I have the honor to acknowledge receipt of your letter of the 29th ultimo, expressing your acknowledgments of what you are pleased to regard "the service I have done the cause of humanity by preventing, through my representations and remonstrances, all interference with the invalids at the barracks occupied as a marine hospital."

While your prompt withdrawal of the imputations of inhumanity on the part of the authorities of Louisiana is but an act of simple justice, I feel I cannot justly appropriate the merit you are pleased to attribute to my agency. The authorities would never have exercised the least inhumanity towards these patients; for, if the barracks had been required for the use of the troops Louisiana has been compelled to raise for her protection and defence, her Charity Hospital, justly the glory and pride of her munificence, into whose portals the afflicted of all nations can enter, without money and without price, would have amply provided for their wants.

In closing this communication I am constrained to observe, in reply to the remark in your letter of the 28th, that you "fear no public property is likely to be respected," that, in compliance with the ordinance of the convention of the people of Louisiana, the State took possession of the public property in trust to prevent any abuse of the same by the federal government, which it was believed would pervert that which the Constitution intended for defence to the purposes of destruction. This property she will be ready to render a just and true account of at the proper time.

I have the honor to be, very respectfully, your obedient servant,
F. H. HATCH, *Collector.*

Hon. JOHN A. DIX,
Secretary of the Treasury, Washington.

On this letter a few brief comments seem essential to a correct appreciation of the subject.

1. No imputation of inhumanity against the authorities of Louisiana was withdrawn; none was made. On the contrary, in the first letter from this department the belief was expressed that the seizure of the hospital was without the sanction of the governor.

2. Though Mr. Hatch, in the foregoing letter, declines to appropriate the merit attributed to him by the department in saving the United States barracks and their invalid inmates from disturbance, he claims, in his letter of the 21st of January, that, by "proper representations and remonstrances, he [had] been able to retain" them for use as a marine hospital; and it was in response to this claim that the merit he now disowns was promptly and cheerfully acknowledged.

3. When Mr. Hatch advised the department that the 216 invalids and convalescent patients had been ordered out of the barracks used as a marine hospital, no allusion was made to the Charity Hospital of Louisiana, where it now appears they could have been received "without money and without price." On the contrary, he informed the

department that he should, if necessary, take steps to remove them "with due regard to economy," leaving it to be inferred that they were to be provided for at the expense of the United States.

4. The government has received from the State of Louisiana no acknowledgment that the property it has seized, including the branch mint and the revenue cutters, is held in trust; and it is one of the first instances on record in which such an estate has been created by forcibly wresting national property from the possession of the lawful owner.

5. On what explicable theory the branch mint, a part of the property seized in trust, could have been perverted to purposes of destruction is not readily perceived. If the treasurer had, as was his duty, paid the drafts drawn on him by this department, the moneys in his custody would have been disbursed long ago for the private benefit and relief of the public creditors. Nor is it perceived how the revenue cutter Robert McClelland could have been used for the destruction of the State of Louisiana if she had been allowed to proceed to New York, more than a thousand miles distant, in obedience to the orders of this department.

6. Mr. Hatch, as will be seen hereafter, was engaged, more than a week before the convention of Louisiana met to consider the question of secession, in a conspiracy, unfortunately a successful one, to surrender the revenue cutter Robert McClelland to the State authorities, while he held a commission from the United States, and was acting under an oath of fidelity to the government. It is under these circumstances, and with this stain on his official character, that he comes forward to respond for the good faith of the State of Louisiana in seizing the public property, including the treasure in the branch mint.

V.—REVENUE CUTTERS.

On the 18th of January ultimo, three days after I took charge of this department, I decided to despatch a special agent to New Orleans and Mobile to save, if possible, the revenue cutters on those stations. Mr. Wm. Hemphill Jones, chief clerk in the First Comptroller's office, was selected for the purpose; and on the 19th he left this city with instructions to provision the vessels, and give the commanding officers verbal orders to take them to New York. This mode of conveying the directions to them was chosen, because no confidence was felt that the mails or the telegraph could be relied on as a safe medium of communication. That the authority of Mr. Jones to communicate to these officers the directions intrusted to him might not be questioned, he was furnished with the following letter, addressed to the commanders of the cutters Lewis Cass, at Mobile, and the Robert McClelland, at New Orleans:

TREASURY DEPARTMENT,
January 19, 1861.

SIR: This letter will be presented to you by Wm. Hemphill Jones, a special agent of this department.

You are required to obey such directions as may be given you,

either verbally or in writing, by Mr. Jones, with regard to the vessel under your command.

I am, respectfully,

JOHN A. DIX,
Secretary of the Treasury.

It was deemed prudent to detach Captain Morrison, who was from the State of Georgia, from the Lewis Cass, then at Mobile; and he was accordingly ordered to Galveston, to take command of the Henry Dodge, which was without a captain. The precaution was too late. Before Mr. Jones reached Mobile, Captain Morrison, regardless of the obligation of his oath, had surrendered his vessel to the authorities of Alabama. His resignation was subsequently received; but it was not accepted, and the following order was issued, dismissing him from the revenue service:

ORDER.

TREASURY DEPARTMENT,
February 11, 1861.

J. J. Morrison, of Georgia, a captain in the revenue cutter service of the United States, late in command of the Lewis Cass, having, in violation of his official oath, and of his duty to the government, surrendered his vessel to the State of Alabama, it is hereby directed that his name be stricken from the rolls of said service.

By order of the President of the United States.

JOHN A. DIX,
Secretary of the Treasury.

The circumstances under which Captain Morrison surrendered his vessel, and which constitute the justification for his dismissal, are detailed in the annexed report of Mr. Jones, marked B.

The revenue cutter Robert McClelland, one of the largest and finest in the service, and recently refitted, was on duty in the Mississippi river, below New Orleans; and it was this vessel which the department was particularly desirous of saving, on account of her value. The failure of the attempt is fully detailed in Mr. Jones's report, hereto annexed. It discloses an act of official infidelity on the part of the collector at New Orleans, F. H. Hatch, which cannot fail to receive the condemnation of all right-thinking men. The service to be performed by the McClelland was between the forts, seventy-two miles below the city of New Orleans, and the mouth of the river. On the 15th of January, eight days before the convention of Louisiana met, and eleven days before the ordinance of secession was passed, Mr. Hatch, in a letter secured by Mr. Jones, and now on file in the department, ordered Captain Breshwood to bring his vessel up the river, and anchor her opposite the city, for the purpose, afterwards avowed to Mr. Jones, of getting her into the possession of the State of Louisiana. Mr. Hatch, at the time he was engaged in this conspiracy against the United States, held a commission in its service, and did not hesitate to violate his official oath, and to prostitute the

authority with which his government had clothed him to accomplish an act of the grossest infidelity. Captain Breshwood, as events subsequently disclosed, was a party to this treachery. On his refusal to obey the order of the department, Mr. Jones sent the following despatch:

NEW ORLEANS, *January 29, 1861.*

Captain Breshwood has refused positively, in writing, to obey any instructions of the department; in this I am sure he is sustained by the collector, and believe acts by his advice. What must I do?

W. H. JONES, *Special Agent.*

Hon. J. A. Dix,
Secretary of the Treasury.

It was supposed when this despatch was received that the McClelland was at her station at the mouth of the river, and the following was telegraphed in reply. It was intercepted by the governor of Alabama and forwarded to the authorities of Louisiana, only reaching Mr. Jones through the newspapers:

TREASURY DEPARTMENT, *January 29, 1861.*

Tell Lieutenant Caldwell to arrest Captain Breshwood, assume command of the cutter, and obey the order I gave through you. If Captain Breshwood, after arrest, undertakes to interfere with the command of the cutter, tell Lieutenant Caldwell to consider him as a mutineer, and treat him accordingly. If any one attempts to haul down the American flag, shoot him on the spot.

JOHN A. DIX,
Secretary of the Treasury.

WM. HEMPHILL JONES, *New Orleans.*

The officers of the revenue service are placed by law under the direction of the Secretary of the Treasury, and are required to obey his instructions. The refusal on the part of Captain Breshwood to act as directed was regarded not as a mere act of disobedience for which he would, under ordinary circumstances, have been promptly dismissed from the service; but it was also considered as a prelude to the graver act of infidelity he was believed to be meditating. The only chance of anticipating and preventing it was through an order bearing some relation in severity to the enormity of the offence he was about to commit. Had the despatch not been intercepted by the governor of Alabama, who did not deem it beneath his dignity to violate the sanctity of a system of confidential communication for the purpose of scrutinizing the correspondence of a department of the government with one of its special agents in a matter relating exclusively to its own interests, the vessel might have been saved and the State of Louisiana spared the reproach of consenting to an act which all civilized communities hold in merited detestation.

It may be proper to add, in reference to the closing period of the foregoing despatch, that as the flag of the Union since 1777, when it was devised and adopted by the founders of the republic, had never

until a recent day been hauled down, except by honorable hands in manly conflict, no hesitation was felt in attempting to uphold it at any cost against an act of treachery, as the ensign of the public authority, and the emblem of unnumbered victories by land and sea.

The revenue cutter *Henry Dodge*, at Galveston, Texas, was understood to be so much out of repair as to render it very questionable whether she could be safely taken to New York. Under these circumstances, the following order was sent to her commanding officer :

TREASURY DEPARTMENT, *January 22, 1861.*

SIR : If the revenue cutter "*Henry Dodge*," to the command of which you were assigned by an order of the 19th instant, should on examination proved to be sea-worthy, you will immediately provision her for six weeks and sail for New York, reporting yourself on your arrival to the collector of the port. While making your preparations for sailing, you will exercise the utmost vigilance in guarding your vessel against attack from any quarter. If any hostile movement should be made against you, you will defend yourself to the last extremity. The national flag must not be dishonored. If you are in danger of being overpowered by superior numbers, you will put to sea and proceed to Key West to provision ; or if intercepted so that you cannot go to sea, and are unable to keep possession of your vessel, you will run her ashore, and if possible blow her up, so that she may not be used against the United States.

I am, very respectfully,

JOHN A. DIX,
Secretary of the Treasury.

Captain J. J. MORRISON,
Commanding Revenue Cutter Henry Dodge, Galveston, Texas.

It was the determination of this department to adopt such measures as to prevent, if possible, the revenue vessels, for which it was responsible, from being taken by force, and used for the purpose of overthrowing the public authority. Any attempt to gain possession of them by military coercion could not be regarded in any other light than as an act of war, proper to be resisted by force of arms ; and it was deemed far more creditable to the country that they should be blown into fragments than that they should be pusillanimously or treacherously surrendered and employed against the government which they were constructed and commissioned to support.

At the last accounts the *Dodge*, in consequence of her unfitness to proceed to New York, was to be placed at the disposal of the coast survey in the vicinity of Galveston for temporary service, in case of any hostile demonstration against her. Captain Morrison, who was ordered to take charge of her before his fidelity to the government was questioned, having been dismissed from the service, the command has devolved on Lieutenant William F. Rogers, in whose good faith and firmness entire confidence is reposed.

It only remains to state, under this branch of the inquiries addressed to this department, that Captain John G. Breshwood and Lieutenants

S. B. Caldwell and Thomas D. Fister, who voluntarily surrendered the revenue cutter Robert McClelland to the State of Louisiana, have been dismissed from the revenue service.

I am, very respectfully, your obedient servant,

JOHN A. DIX,

Secretary of the Treasury.

HON. WM. PENNINGTON,

Speaker of the House of Representatives.

A.

MINT OF THE UNITED STATES,
Philadelphia, February 18, 1861.

SIR: I send you enclosed a copy of a letter I have recently received from Mr. Elmore, the superintendent of the branch mint at New Orleans.

It appears from this communication that a committee, acting under the order of a convention, has taken possession of the branch mint in the name of the State of Louisiana. The right to coin money—one of the highest acts of sovereignty—being expressly granted to the United States, (art. 1, sec. 8, Cons. U. S.,) and withheld from the States, (sec. 10,) the action of the Louisiana convention cannot but be regarded as revolutionary in its character, and destructive of the rights of the people and government of the United States.

By the law establishing branches of the mint of the United States, (act of March 3, 1835,) "the general direction of the business of the said branches is under the control and regulation of the director of the mint at Philadelphia, subject to the approbation of the Secretary of the Treasury; and for that purpose, it shall be the duty of the said director to prescribe such regulations, and require such returns, periodically and occasionally, as shall appear to him to be necessary, for the purpose of carrying into effect the intention of this act in establishing said branches; also for the purpose of discriminating the coin which shall be stamped at each branch and at the mint itself; also for the purpose of preserving uniformity of weight, form, and fineness in the coin stamped at each place; and for that purpose to require the transmission and delivery to him at the mint, from time to time, of such parcels of the coinage of each branch as he shall think proper, to be subjected to such assays and tests as he shall direct."

My instructions require weekly reports of its operations from the branch mint at New Orleans, and monthly returns of parcels of coinage taken from each delivery of coin from the carrier to the treasurer. These reports and coins for the month of January have been received, but the weekly returns since the close of the month have been omitted to be sent to me.

It thus appears that the institution in question is not conducting its operations in a lawful manner, and although it is still a branch of the mint of the United States, (for no action of the State of

Louisiana can legally alter its relation to the general government,) yet, as its coinage from the close of the month of January will not be subject to the tests required by law, it has practically ceased to be a branch of the mint. The coinage of that branch is designated by the letter O on the reverse side of each piece. The coins struck in January are legal coins of the United States; but as these pieces cannot be distinguished from others coined since that time, having the date of 1861, the whole coinage of this year ought to be discredited by the government. The announcement should be made, either by the proclamation of the President, or by act of Congress, if the former should not be deemed proper, that the coins of the branch mint at New Orleans of the year 1861 are not of the coinage of the United States, and are therefore not a legal tender in the payment of debts; said coins are designated by the letter O on the reverse of each piece.

I may here state that the coins stamped at San Francisco are designated by the letter S; those of Dahlonega (Georgia) by the letter D; and of Charlotte (North Carolina) by the letter C. The coinage of the mint at Philadelphia may be known by the absence of any letter or a mint mark.

The coining dies are prepared at the mint in Philadelphia for the branches. I furnished, at the close of the last year, the New Orleans branch the following number of working dies for 1861: double eagles, 3 obverses and 3 reverses; eagles, 2 obverses; half eagles, 2 obverses; three dollar, 2 obverses, (the date is on the reverse of this piece;) quarter eagle, 4 obverses; gold dollar, 2 reverses, (same as three-dollar piece;) silver dollars, 2 obverses; half dollar, 12 obverses; quarter dollar, 4 obverses; dime, 2 obverses, 2 reverses; half dime, 2 obverses, 2 reverses.

In reference to these dies, I suggest that it is desirable that the agent of the department should be requested to call at the branch mint and ask to have them delivered to him for the purpose of returning them to the mint at Philadelphia. The person in charge of that institution may, perhaps, be willing to comply with this request. If so, it will relieve us from the embarrassment of having coins issued purporting to be the coins of the United States, but which are not subjected to the assays and trials required by law.

I may add, as appropriate to this communication, that the building of the branch mint at New Orleans, including the rendering of it fire-proof in 1855-'56, cost the United States the sum of \$591,514 05. The amount of bullion in that institution at the present time, the property of the United States, is \$389,267 46; to which must be added the balance to the credit of the United States on the coinage charge, and for purchases of silver, (profit,) \$12,413 62.

The ground upon which the branch mint is erected, known as "Jackson Square," was conveyed to the United States by the authorities of the city of New Orleans on the 19th day of June, 1835. It was a donation by the city to the United States.

I have the honor to be, with great respect, your faithful servant,

JAMES ROSS SNOWDEN,

Director of the Mint.

Hon JOHN A. DIX,

Secretary of the Treasury, Washington City.

UNITED STATES BRANCH MINT,
New Orleans, January 31, 1861.

SIR: This morning a committee of the convention, acting under an ordinance passed by that body, took possession of this institution in the name of the State of Louisiana.

As soon as I can get a copy of the ordinance I will forward it to you.

Yours, very truly,

WM. A. ELMORE,
Superintendent.

Hon JAMES ROSS SNOWDEN,
Director of the Mint, Philadelphia.

B.

WASHINGTON CITY, *February 15, 1861.*

SIR: In accordance with your instructions of the 19th ultimo, directing me to repair to New Orleans and Mobile for the purpose of securing to the United States the revenue cutters "Robert McClelland" and "Lewis Cass," I left Washington in the next mail train for those cities respectively.

Owing to numerous derangements on the railroads, produced by land-slides covering the tracks, I did not reach New Orleans until Saturday the 26th January—one day, however, in advance of the mail.

Supposing, of course, that the "McClelland," was on her station at the mouth of the Mississippi river, or at the head of the passes, I made arrangements on the next day with the captain of a tug-boat, which was to leave New Orleans on Monday evening, to take me down the river and place me on board the cutter. At the time appointed for her departure, while on the levee and about to join the steamer, I was much astonished to learn that the cutter had just anchored immediately below the city. I at once hired a skiff, and boarded her about dusk. On inquiring for Captain Breshwood, I was informed that he had gone ashore. A boat was despatched with an officer to find him, if possible, and about 10 o'clock he returned on board.

I exhibited to him my own instructions, handed him your letter, placing him and his vessel under my orders, and directed him to get under weigh and proceed to sea.

He declined doing so at that late hour, and both his officers united with the captain in his objections. No positive disobedience, however, was manifested, but an evident reluctance to comply at that time. The next morning I was introduced to F. H. Hatch, esq., collector of customs, by Captain Breshwood. These gentlemen had a private interview, and I was soon convinced that the collector could not be depended on to assist in getting the cutter out of the waters of Louisiana, but did not then know the full extent of his action in the premises.

I then handed Captain Breshwood the following letter :

“NEW ORLEANS, *January 29, 1861.*

“SIR: You are hereby directed to get the United States revenue cutter ‘Robert McClelland,’ now lying here, under weigh immediately, and proceed with her to New York, where you will await the further instructions of the Secretary of the Treasury.

“For my authority to make this order you are referred to the letter of the Secretary dated the 19th instant, and handed you personally by me.

“Very respectfully,

“WM. HEMPHILL JONES,
“*Special Agent.*

“Captain J. G. BRESHWOOD,

“*Comm’g U. S. Revenue Cutter ‘Robert McClelland.’*”

Another conference was held between Captain Breshwood and Collector Hatch, and finally I received from the former the following reply:

“U. S. REVENUE CUTTER ‘ROBERT MCCLELLAND,’

“*New Orleans, January 29, 1861.*

“SIR: Your letter, with the one of the 19th of January, from the Hon. Secretary of the Treasury, I have duly received, and, in reply, refuse to obey the order.

“I am, sir, your obedient servant,

“JOHN G. BRESHWOOD,
“*Captain.*

“WM. HEMPHILL JONES, Esq.,

“*Special Agent.*”

Believing that Captain Breshwood would not have ventured upon this most positive act of insubordination and disobedience of his own volition, I waited upon the collector at the custom-house, and had with him a full and free conversation upon the whole subject. In the course of it Mr. Hatch admitted to me that he had caused the cutter to be brought to the city of New Orleans by an order of his own, dated January 15, so that she might be secured to the State of Louisiana, although at that time the State had not only not seceded, but the convention had not met, and in fact did not meet until eight days afterwards.

This, I must confess, seemed to me a singular confession for one who at that very time had sworn to do his duty faithfully as an officer of the United States; and on intimating as much to Mr. Hatch, he excused himself on the ground that “in these revolutions all other things must give way to the force of circumstances.”

Mr. Hatch likewise informed me that the officers of the cutter had long since determined to abandon their allegiance to the United States, and cast their fortunes with the independent State of Louisiana. In order to test the correctness of this statement, I addressed another communication to Captain Breshwood, of the following tenor:

“NEW ORLEANS, *January 29, 1861.*

“SIR: By your note of this date I am informed that you ‘refuse to obey the orders of the honorable Secretary of the Treasury.’

“As on accepting your commission you took and subscribed an oath faithfully to discharge your duties to the government, and as you well know the law has placed the revenue cutters and their officers under the entire control of the Secretary of the Treasury, I request you to advise me whether you consider yourself at this time an officer in the service of the United States.

“Very respectfully,

“WM. HEMPHILL JONES,
“*Special Agent.*

“Captain BRESHWOOD.”

To this letter I never received any reply. I then repaired again on board the cutter, and asked for the order of the collector bringing them to New Orleans. The original was placed in my possession, of which the following is a copy; and here it may be proper to observe that the order is written and signed by the collector himself:

“CUSTOM-HOUSE, NEW ORLEANS,
“*Collector's Office, January 15, 1861.*

“SIR: You are hereby directed to proceed forthwith under sail to this city, and anchor the vessel under your command opposite the United States marine hospital, above Algiers.

“Very respectfully, your obedient servant,

“F. H. HATCH, *Collector.*

“Captain J. G. BRESHWOOD,

“*U. S. Revenue Cutter ‘McClelland,’ S. W. Pass, Louisiana.’*”

The effect of this order may readily be foreseen by you. While on her station at the passes the vessel was measurably under the control of the government, and could be easily got to sea from that point. While lying at New Orleans, however, and any hostile power in possession of the forts, St. Philip and Jackson, 72 miles below, it is evident that any vessel is completely at the mercy of such power so far as respects her passing down the river.

The State of Louisiana is now, and has been for several weeks, in full possession of these forts; and Mr. Hatch of course intended that the government should be deprived of any chance of keeping the “McClelland,” even if her officers remained faithful to their trust. If these latter, as was the case, proved derelict, I had made ample arrangements to seize the vessel, and carry her to sea in defiance of any ordinary contingency to the contrary, could I have either found her or got her below the fortifications. As it was, however, this was impossible. She lay in the river, watched from shore, a distance of 72 miles above the forts, with a telegraphic line, in working order, communicating directly between the city and garrison; and as I was subsequently informed by the commander of Fort St. Philip, he was

determined to blow her out of the water rather than let the "McClelland" pass to sea.

I was therefore under the necessity of witnessing the transfer of this fine vessel, her stores and armament, to the State of Louisiana, and report to you that she is no longer in the United States revenue service. Her officers have likewise taken an oath of allegiance to the State, and have received and accepted commissions in her service.

I then, in further pursuance of your directions, proceeded to the port of Mobile to look after the cutter "Lewis Cass," stationed in that harbor.

I found her at anchor opposite the city, within about one hundred yards of the wharves, and apparently deserted. On going to the custom-house I fell in with Lieutenant Lawrence, and subsequently found Lieutenants Rogers and Shoemaker. I was informed by them that Captain Morrison had received your orders for him to repair to Galveston, but that he had refused to obey them, and had given up his vessel to the authorities of the State of Alabama.

On going on board the "Lewis Cass" I found her to be in very bad condition—no one on board but the men, and no order or discipline observed. Captain Morrison could not be met with; but in the letter-book of the vessel, which was lying in the cabin, I found the following letter from Collector Sandford, which will fully explain the manner in which that officer thought proper to perform his duty to the government of the United States:

STATE OF ALABAMA,
Collector's Office, Mobile, January 30, 1861.

SIR: In obedience to an ordinance recently adopted by a convention of the people of Alabama, I have to require you to surrender into my hands, for the use of the State, the revenue cutter "Lewis Cass," now under your command, together with her armaments, properties, and provisions on board the same.

I am instructed also to notify you that you have the option to continue in command of the said revenue cutter under the authority of the State of Alabama, in the exercise of the same duties that you have hitherto rendered to the United States, and at the same compensation, reporting to this office and to the governor of the State.

In surrendering the vessel to the State you will furnish me with a detailed inventory of its armaments, provisions, and properties of every description.

You will receive special instructions from this office in regard to the duties you will be required to perform. I wait your immediate reply.

Very respectfully, your obedient servant,

T. SANDFORD, *Collector.*

J. J. MORRISON, Esq.,

Captain Revenue Cutter "Lewis Cass," Mobile, Ala.

Captain Morrison thereupon transferred his vessel, with her equipments, to the State of Alabama, and took an oath of allegiance to that State.

It is proper here to remark that the other officers of the "Lewis

Cass," viz: First Lieutenant Rogers and Lieutenants Lawrence and Shoemaker, remained faithful to their government, and rendered me much assistance at Mobile. They unanimously and cheerfully volunteered their services, in case an opportunity might be afforded, to recapture the "McClelland," and this would undoubtedly have been effected if any chance could have been found to take her to sea.

I gave Mr. Rogers written orders to return to New London, his place of residence, and await there your instructions. In like manner Mr. Shoemaker was directed to repair to Baltimore, while Mr. Lawrence preferred to remain with his family on the shore of Mobile bay.

The "Lewis Cass," in her present condition, is entirely unseaworthy. Her seams are open, causing her to leak badly, and in fact she came very near foundering while beating up Mobile harbor, with but a whole-sail breeze.

Her late officers inform me that she will require extensive repairs to put her in any condition to do service to her present holders.

I then returned to New Orleans and made a final effort with the junior officers of the "McClelland" to induce them at least to consent for me to carry the vessel under sail as far as the forts, as I was desirous to test the question of the determination of the State of Louisiana to use force in retaining her, but they refused positively to have her removed from her anchorage.

Finding that nothing further could be effected by me—that the two vessels were entirely lost to the United States, and no possible benefit could arise from my remaining any longer in New Orleans, I left that city, *via* the river route, and reached here on Thursday evening, the 14th instant.

I propose to make the conduct of the officers of the telegraph company, with reference to official despatches, the subject of a special communication.

Very respectfully, your obedient servant,

WM. HEMPHILL JONES,

Special Agent.

Hon. JOHN A. DIX,

Secretary of the Treasury.